

Message from the Chair

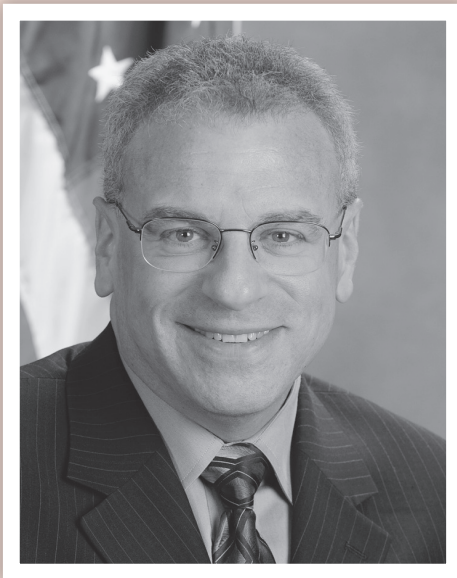
Dear Friend,

I am pleased to share with you the results of a busy and fruitful 2013 legislative session for the Assembly Committee on Consumer Affairs and Protection. In this newsletter you will find information about legislation the Committee reported, a hearing conducted with the Assembly Committee on Banks, as well as some tips I hope you will find useful as you enjoy the summer months.

With our work in Albany now complete for the year, the Committee will focus on hearings and new legislation for the next year. Bills that were reported and subsequently passed by the Legislature will be sent to the Governor to be signed into law. Some of the issues addressed during this session will help keep dangerous novelty lighters out of young children's hands, protect New York's workforce from discriminatory hiring practices, and ensure certain pharmaceutical drugs aren't readily available for them to be abused.

Lastly, I hope you will take the time to review some of the tips we have included to help make this summer as enjoyable and safe as possible. I wish you an enjoyable

summer season and I look forward to sharing with you what we accomplish in the coming months as we hold hearings that will help us tackle more of the issues facing New York consumers.



Sincerely,

A handwritten signature in black ink that reads "Jeffrey Dinowitz". The signature is fluid and cursive.

Jeffrey Dinowitz

Chairman

Committee on Consumer Affairs and Protection

Important Contacts

NYS Department of State Division of Consumer Protection

One Commerce Plaza
99 Washington Ave.
Albany, New York 12231
1-800-697-1220

[www.dos.ny.gov/
consumerprotection](http://www.dos.ny.gov/consumerprotection)

The Division of Consumer Protection provides direct assistance and intervention to resolve marketplace complaints, mitigate the consequences of identity theft and frauds, and advocate for greater consumer rights and remedies under New York State law.

NYS Attorney General

The Capitol
Albany, New York 12224
1-800-771-7755

www.ag.ny.gov

The Attorney General offers a mediation service if it is believed it might assist in resolving disputes, particularly for patterns of complaints involving the same company or for new and unique issues. Otherwise, the Attorney General's office will direct consumers to the appropriate agency.

Federal Trade Commission

600 Pennsylvania Ave. NW
Washington, DC 20580
1-877-382-4357

www.ftc.gov

The Federal Trade Commission's Bureau of Consumer Protection is the nation's consumer protection agency that works to prevent fraud, deception, and unfair business practices in the marketplace by enforcing federal consumer protection laws.

Consumer Financial Protection Bureau

P.O. Box 4503
Iowa City, Iowa 52244
1-855-411-2372

www.consumerfinance.gov

The Consumer Financial Protection Bureau is the newest federal consumer protection agency to improve the fairness of markets for consumer financial products and services, whether consumers are applying for a mortgage, choosing among credit cards, or using any number of other consumer financial products.

Legislative Highlights/Substantial Bills

Protecting Children from Dangerous Novelty Lighters

According to the publication *Fire Chief*, novelty lighters have been identified in recent years as the cause of numerous fatal fires throughout the nation, including the September 2007 tragedy in Arkansas when two young boys lost their lives in a fire they accidentally set while playing with a lighter that looked like a toy motorcycle. To address this public safety threat, the Legislature passed A.1011-A (Dinowitz)/S.933-A (Martins), which would immediately ban the retail sale of novelty lighters. These lighters are frequently equipped with musical sounds and flashing lights, and are shaped to look like miniature toys, such as automobiles, tractors, or popular cartoon characters. In addition, this bill would prohibit the distribution of novelty lighters and provide strong penalty and enforcement provisions, including granting law enforcement and State fire prevention investigators the ability to seize lighters offered for sale in violation of the law. This bill is awaiting action by the Governor.

The Credit Privacy in Employment Act

Despite the absence of any evidence showing a correlation between credit history and a person's job performance, many large employers use credit history as part of their hiring process and evaluation of existing employees. Many New Yorkers have less-than-ideal credit histories, often as a result of unaffordable medical bills, predatory lending practices, or unemployment

due to the recession. Further, at a hearing held by the Committee in April, both the credit reporting industry and consumer advocates testified that millions of Americans have errors in their credit reports that falsely indicate that they are a higher credit risk than they actually may be. In light of this information, the Assembly passed A.7056 (Dinowitz), which would prohibit employers from making employment decisions, such as hiring, termination, compensation, promotion, demotion, or employee disciplinary action, based on an individual's credit history.

Preventing Fraud from Unsolicited Checks

Many financial institutions, particularly those that issue credit cards, often send out unsolicited checks to consumers. However, the unsolicited nature of these checks means that consumers are unaware of when or if they even will receive them. Consequently, unsolicited checks are easy targets for thieves because they are able to use them before the intended recipient becomes aware that the checks have been stolen and fraudulently used. To help prevent this, the Legislature passed A.3601 (Maisel)/S.4301 (Golden), which would exempt consumers to whom an unsolicited check has been mailed or delivered from liability for any amount resulting from the use of such check, unless the named bearer has accepted the check by using it. The bill also clarifies that a consumer's failure to return or destroy an unsolicited check does not constitute acceptance of the check or account. This bill is awaiting action from the Governor.

Hearing on the Accuracy and Use of Consumer Credit Reports

On April 19, 2013, the Committee held a joint public hearing with the Assembly Committee on Banks to examine whether credit reporting agencies provide an effective process by which consumers can correct inaccuracies in credit reports; how inaccuracies affect consumers' credit scores, employability, and interest rates; and actions the State can take to improve the accuracy of credit reports. A recent Federal Trade Commission study on credit report accuracy indicated that as many as one in four consumers may have a "material error" in their reports. A consumer's credit report is used in many different and far-reaching ways, including decisions on loan applications, interest rates, and employment.

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Numerous consumer advocates and the Consumer Data Industry Association provided testimony to the Committees. While there was no consensus as to what remedies may be available to consumers at the State level, the witnesses admitted that millions of consumers have errors in their credit reports. In addition, the consumer advocates testified that these errors are difficult to correct and have far-reaching consequences, particularly when a consumer is searching for employment.

Legislative Update

During the 2013 Legislative Session, the Committee advanced legislation addressing a wide variety of issues facing consumers, including the following:

A.933-B (Jaffee)

This bill would help prevent the abuse of products containing dextromethorphan (DXM) as an active ingredient, commonly found in cough medicines, by requiring purchasers to be at least 18 years of age. (Passed Both Houses)

A.3751-B (Crespo)

This bill would prohibit any person from selling a drug that is subject to a shortage at an unconscionably excessive price. (Passed the Assembly)

A.5308-B (Otis)

This bill would prevent injuries caused by improperly secured movable soccer goals by establishing a set of safety standards for anchoring and securing such goals. (Passed the Assembly)

A.6239 (Dinowitz)

This bill would create the State Office of the Utility Consumer Advocate to serve as an independent advocate and appear on behalf of consumers in proceedings concerning rates and conditions of public service utilities. (Passed the Assembly)

A.6378-B (Dinowitz)

This bill would address the dramatic increase in counterfeit and non-functional vehicle airbags by making it illegal to make, distribute, sell, or install such an airbag in a vehicle. (Passed Both Houses)

A.6522-B (DenDekker)

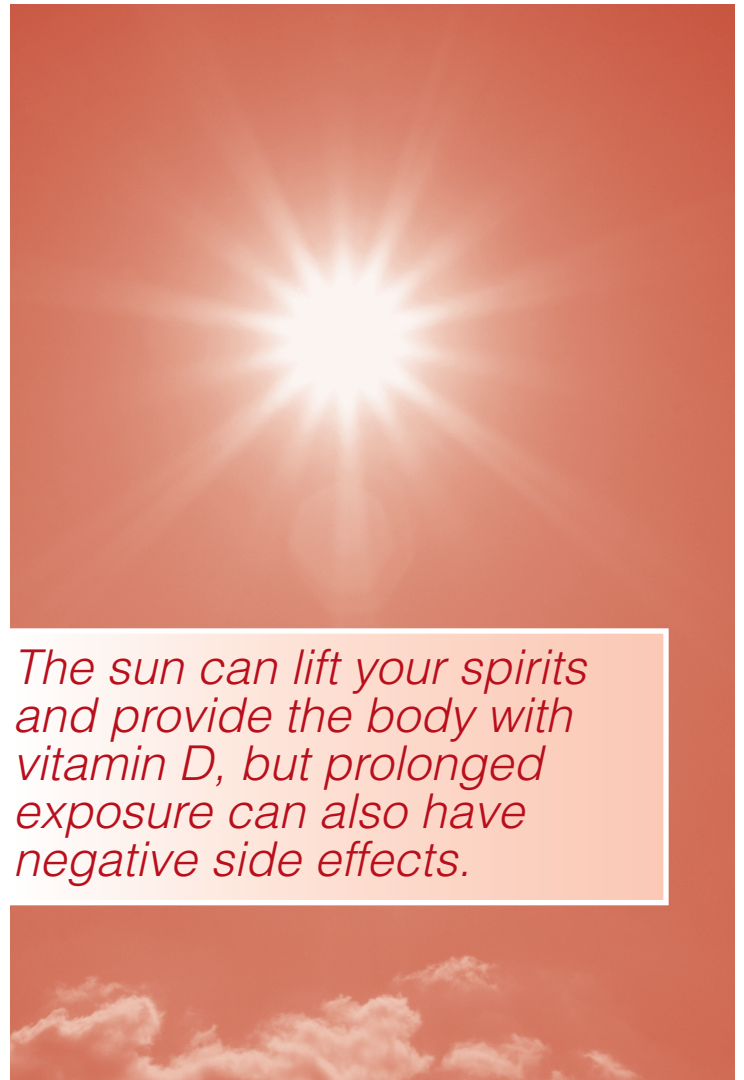
This bill would require used motor vehicle dealers, prior to offering a contract for the sale of a used motor vehicle at retail, to determine whether there are any open manufacturer's recalls applicable to such used motor vehicle. (Passed the Assembly)

A.6790 (Braunstein)

This bill would require consumer reporting agencies that collect and maintain employment data information, including payroll and earnings information, hours worked, consumer history, and health insurance information, to obtain written consumer consent before selling or distributing such information to third parties. (Passed the Assembly)

Sun Safety Tips

Summer is here, which means it is time for some fun in the sun. Whether in the park, on the sports field, camping, or at the beach, everybody likes to spend some quality time outdoors. The sun can lift your spirits and provide the body with vitamin D, but prolonged exposure can also have negative side effects. Fortunately, a few simple steps can keep you and your family safe. At least twenty minutes before heading outdoors, apply a broad spectrum, water-resistant sunscreen with an SPF of 30 or higher over all exposed parts of the body. Experts recommend that you re-apply sunscreen every two hours and more frequently if you have been swimming or doing an activity that causes you to sweat. If possible, it is best to avoid the sun from 10 a.m. to 4 p.m., when its rays are strongest. Wear clothing that covers your body, including a wide-brimmed hat to protect your head and face, and sunglasses that protect against UV rays. By following these simple sun safety tips, you can spend time outdoors this summer knowing that you and your family are protected from the potentially harmful side effects of sun exposure.



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Pool Safety Tips



On hot summer days, a swim in a pool or other body of water is most refreshing. However, it is important to keep in mind simple pool safety tips that will ensure you and your family will remain safe while enjoying the cool water:

- Stay close, be alert, and watch children in and around open waters. Never leave children unattended and be sure you are not reading, texting, using a cellphone, or otherwise distracted if you are the designated water watcher.
- To avoid injuries, keep children away from pool drains, pipes, and other openings and be certain to have lifesaving equipment such as life rings, floats, or a reaching pole. Make sure these important items are available and easily accessible.
- Learn how to perform CPR on children and adults and update those skills regularly. Understand the basics of life-saving so that you can assist, if necessary, in a pool or open water emergency.

Visit www.poolsafely.gov for additional tips relating to pool and spa safety.

Stay close, be alert, and watch children in and around open waters. Never leave children unattended and be sure you are not reading, texting, using a cellphone, or otherwise distracted if you are the designated water watcher.

2013 Legislative Update from the New York State Assembly

Committee on Consumer Affairs and Protection

Sheldon Silver, Speaker • Jeffrey Dinowitz, Chair

To update or remove your name from the committee mailing list, email committeemailinglist@assembly.state.ny.us. Please include the committee name in the subject line. Please provide the name and address as it appears on the mailing label and any changes you would like made.

Committee on Consumer Affairs and Protection

Assemblyman Jeffrey Dinowitz, Chair